

STATE OF IOWA
DEPARTMENT OF COMMERCE
UTILITIES BOARD

IN RE: INTERSTATE POWER AND LIGHT COMPANY AND CONSUMERS ENERGY	DOCKET NO. SPU-04-22
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**ORDER GRANTING PETITION FOR MODIFICATION
OF SERVICE AREA BOUNDARIES**

(Issued December 20, 2004)

On August 4, 2004, Consumers Energy (Consumers) and Interstate Power and Light Company (IPL) filed a joint petition for modification of electric service area boundaries pursuant to Iowa Code § 476.25(2). A service area agreement between Consumers and IPL is attached to the petition. The original maps submitted did not clearly show current service area boundaries in relation to the proposed changes. Updated maps were filed on December 6, 2004. No objections to the petition were filed.

Consumers and IPL have agreed to an exchange of service territory and request the Board modify the service territory boundary between the two utilities in Story County, Iowa. The following service territory is to be served by Consumers:

Consumers shall have the authority to provide electric service to lots 1-15 of the Forrest Park Subdivision located in the East Half (E1/2) of the Southwest Quarter (SW1/4) of Section 29, Township 83 North, Range 22 West of the 5th P.M., Story County, Iowa.

The following service territory is to be served by IPL:

IPL shall have the authority to provide electric service to lots 16-40 of the Forrest Park Subdivision located in the East Half (E1/2) of the Southwest Quarter (SW1/4) of Section 29, Township 83 North, Range 22 West of the 5th P.M., Story County, Iowa.

In support of the petition, Consumers and IPL state that the transfer will make the electric service territory boundary consistent with lot division lines of a new development, the Forest Park Subdivision, which has been platted along a service territory boundary between the two utilities. This will avoid any future confusion over which utility has the right to serve a particular lot. No customers currently being served by either utility will need to be transferred to the other. There are four existing customers in the area that are now and will continue to be served by Consumers Energy as a result of the agreement.

Iowa Code § 476.25 (2003) provides in pertinent part:

Contracts between electric utilities to designate service areas and customers to be served by the electric utility or for the exchange of customers between electric utilities, when approved by the board, shall be valid and enforceable and shall be incorporated into the appropriate exclusive service areas established pursuant to subsection 1 of this section. The board shall approve a contract if it finds that the contract will eliminate or avoid unnecessary duplication of facilities, will provide adequate electric service to all areas and customers affected, will promote the efficient and economical use and development of the electric systems of the contracting electric utilities, and is in the public interest.

The Board will grant the Consumers and IPL joint petition for modification of service area boundaries. Consumers and IPL have alleged facts that establish the

proposed modification is in the public interest, will prevent unnecessary duplication of facilities, provide adequate electric service to all customers affected, and will promote the efficient and economical use of electrical systems, pursuant to Iowa Code § 476.25.

IT IS THEREFORE ORDERED:

The joint petition for modification of electric service area boundaries filed by Interstate Power and Light Company and Consumers Energy on August 4, 2004, is granted, subject to complaint or investigation.

UTILITIES BOARD

/s/ Diane Munns

/s/ Mark O. Lambert

ATTEST:

/s/ Judi K. Cooper
Executive Secretary

/s/ Elliott Smith

Dated at Des Moines, Iowa, this 20th day of December, 2004.